

Other Information

DIRECTORS' INTERESTS IN SHARES

As at 30th June 2005, the directors and their associates had the following interests or short positions in shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of the Securities and Futures Ordinance ("SFO")) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code"):

Interest in the Company

Directors	Personal interests in shares	Number of underlying shares held pursuant to share options	Number of share options expired during this period	Total interests	Percentage of the Company's issued share capital
Wang Guanghao	—	1,000,000	—	1,000,000*	0.11%
Yu Rumin	—	900,000	—	900,000*	0.10%
Ren Xuefeng	—	900,000	—	900,000*	0.10%
Zhang Hongru	—	800,000	—	800,000*	0.09%
Nie Jiansheng	—	700,000	—	700,000*	0.08%
Wang Jiandong	450,000	600,000	—	1,050,000*	0.12%
He Xiuheng	—	300,000	—	300,000*	0.03%
Yang Liheng	—	300,000	—	300,000*	0.03%
Sun Zengyin	—	300,000	—	300,000*	0.03%
Pang Jinhua	—	300,000	—	300,000*	0.03%
Ye Disheng	—	300,000	—	300,000*	0.03%

* These interests are held in the capacity as a beneficial owner.

Details of the Directors' interests in share options granted by the Company are set out under the section "Share Options Scheme of the Company".

Save as disclosed above, none of the directors and their associates has any interests or short positions in shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Directors's, chief executive's and employees' rights to acquire shares

Share Options Scheme of the Company

During the six months ended 30 June 2005, no share option has been granted under the current share option scheme of the Company.

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Pursuant to the Company's share option scheme, the Company has granted options in the Company's ordinary shares in favour of certain directors and employees, the details of which are as follows:

	Number of options				Exercise price	Grant date	Exercisable from	Exercisable until
	Held at 1st January 2005	Granted during the period	Expired during the period	Held at 30th June 2004				
Directors					HK\$			
Wang Guanghao	1,000,000	—	—	1,000,000	3.100	23rd December 2004	28th December 2004	21st November 2007
Yu Rumin	900,000	—	—	900,000	3.100	23rd December 2004	28th December 2004	21st November 2007
Ren Xuefeng	900,000	—	—	900,000	3.100	23rd December 2004	28th December 2004	21st November 2007
Zhang Hongru	800,000	—	—	800,000	3.100	23rd December 2004	28th December 2004	21st November 2007
Nie Jiansheng	700,000	—	—	700,000	3.100	23rd December 2004	28th December 2004	21st November 2007
Wang Jiandong	600,000	—	—	600,000	3.100	23rd December 2004	28th December 2004	21st November 2007
He Xiuheng	300,000	—	—	300,000	3.100	23rd December 2004	28th December 2004	21st November 2007
Yang Liheng	300,000	—	—	300,000	3.100	23rd December 2004	28th December 2004	21st November 2007
Sun Zengyin	300,000	—	—	300,000	3.100	23rd December 2004	28th December 2004	21st November 2007
Pang Jinhua	300,000	—	—	300,000	3.100	23rd December 2004	28th December 2004	21st November 2007
Ye Disheng	300,000	—	—	300,000	3.100	23rd December 2004	28th December 2004	21st November 2007
Continuous contract employees	200,000	—	—	200,000	2.204	23rd May 2001	1st July 2002	21st November 2007
Continuous contract employees	500,000	—	—	500,000	3.100	23rd December 2004	28th December 2004	21st November 2007

During the period under review, none of the directors had exercised any share options in the Company.

Save as disclosed above, none of the directors of the Company or their spouses or children under the age of 18 had any rights to subscribe for the securities of the Company, or had exercised any such right during the period.

SUBSTANTIAL SHAREHOLDERS

As at 30th June 2005, the following persons or corporations, other than the directors or chief executives of the Company as disclosed above, had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Name of Shareholder	Capacity	Number of Shares/ underlying Shares held	Approximate percentage of issued Shares
Tsinlien (<i>Note 2</i>)	Interest of controlled corporations	583,189,143 (L)	64.05%
Tsinlien (<i>Note 3</i>)	Option seller	40,000,000 (S)	4.39%
Deltaway Inc. (<i>Note 4</i>)	beneficial owner	90,000,000 (L)	9.89%
Pacific Foundation Assets Management Limited (<i>Note 5</i>)	Interest of a controlled corporation	90,000,000 (L)	9.89%
Lo Shiu Wing, Chester (<i>Note 5</i>)	Interest of controlled corporations	90,000,000 (L)	9.89%
Lo Tak Wing, Benson (<i>Note 5</i>)	Interest of controlled corporations	90,000,000 (L)	9.89%

Notes:

- The letter "L" stands for the shareholder's long position (within the meaning of the SFO) in Shares. The letter "S" stands for the shareholder's short position (within the meaning of the SFO) in Shares.
- As at 30th June 2005, Tianjin Investment and Tsinlien Venture Capital Company Limited (Formerly known as Tsinlien Property Services Limited), both being wholly-owned subsidiaries of Tsinlien, held 581,167,133 shares and 2,022,000 shares respectively. Mr. Wang Guanghao acted as trustee of Tianjin Investment held 10 shares. By virtue of the SFO, Tsinlien is taken to have interest in the shares held by Tianjin Investment and Tsinlien Venture Capital Company Limited.

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3. These Shares are subject to call options sold by Tsinlien to Credit Suisse Group. The call options cancelled on prior of August 2005.
4. The interest of Deltaway Inc. (an independent third party) were held pursuant to the option agreement dated 15 January 2004 entered into between Deltaway Inc. and the Company whereby the Company granted an option to Deltaway Inc. to subscribe for 90,000,000 new shares at a subscription price of HK\$4.10 per option share, for a consideration of HK\$2.4 million.
5. Pacific Foundation Assets Management Limited, Mr. Lo Shiu Wing, Mr. Chester and Mr. Lo Tak Wing, Benson were deemed under the SFO to be interested in 90,000,000 shares held by Deltaway Inc. pursuant to the option agreement as referred to in note 4 above.

Save as disclosed herein, the Company has not been notified by any other person or corporation, other than the directors or chief executives of the Company, who had an interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO as at 30th June 2005.

CORPORATE GOVERNANCE

Compliance with the Code on Corporate Governance Practices

The Company has complied with the requirements of the code provisions of Code of Corporate Governance Practices as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Code Provisions"), except that:

1. the Independent Non-executive Directors have not been appointed for any specific terms as they are subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Company's Articles of Association.
2. the Directors have not been required by the Company's Articles of Association to retire by rotation at least once every three years. However, in accordance with the Company's Articles of Association, one-third of the

Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office by rotation at each annual general meeting.

AUDIT COMMITTEE

An audit committee currently comprising three independent non-executive directors, namely Mr. Kwong Che Keung, Gordon, Mr. Lau Wai Kit and Dr. Cheng Hon Kwan was established in 1998.

At the request of the Audit Committee of the Company, the Group's auditors have carried out a review of the unaudited financial statements in accordance with the Statement of Auditing Standards SAS700 issued by the Hong Kong Institute of Certified Public Accountants. The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the unaudited interim financial statements.

COMPLIANCE WITH THE MODEL CODE OF THE LISTING RULES

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules in respect of directors' securities transactions throughout the period under review. The directors of the Company have complied with the required standard set out in the Model Code and its code of conduct regarding directors' securities transactions.

INTERIM DIVIDEND

The Board has resolved to declare an interim dividend of HK 4.6 cents per share in cash for the six months ended 30th June 2005 to shareholders whose names appear on the Register of Members of the Company on 14th October 2005.

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CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from 10th October 2005 to 14th October 2005, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all share certificates with completed transfer forms either overleaf or separately, must be lodged with the Company's Registrar, Tengis Limited at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, not later than 4:30 p.m. on 7th October 2005.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares during the period.

By Order of the Board

Wang Guanghao

Chairman

Hong Kong SAR, 13th September 2005